

## DOCUMENT RESUME

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The Highway Beautification Act of 1965 encouraged States to control outdoor advertising according to national standards and provided for the forfeit of 10% of Federal highway funds for noncompliance. The act exempts signs which are located on-premise or in zoned and unzoned industrial and commercial areas and meet State permit requirements as to size, lighting, and spacing. Findings/Conclusions: Since the act's passage, States have reported removing about 440,000 signs at a cost of about \$82 million to the Federal Government. Illegal signs were removed with relative ease, but only about 78,000 of 298,000 signs which were legal but did not comply with State laws passed after the Federal act were removed as of March 31, 1977. It could take an additional 21 years to remove all these nonconforming signs and could cost over a billion dollars. Objectives of the program may not be reached because of lack of support, legal complexities, the numerous exemptions, and differences in State and local rules. The most significant exception to the sign removal law is for signs that are on premises. Zoning has a significant effect on highway signs because areas are often zoned for commercial or industrial use even though they have not been developed for these uses. Recommendations: The Congress should reassess the sign removal program and, if it wants to strengthen it, encourage the States to: remove all signs except those on-premise and landmark signs; or remove all signs, except on-premise signs, landmark signs, and signs in areas of actual commercial or industrial use. (HTW)

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BY THE COMPTROLLER GENERAL

# Report To The Congress

OF THE UNITED STATES

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## Obstacles To Billboard Removal

The Highway Beautification Act has helped to curb the proliferation of new signs along the Nation's highways since 1965 when the program began. But removing signs that had been erected before the act has been slow. It could take the Federal Highway Administration 21 years to complete the program for total Federal and State costs of over \$1 billion. After all eligible signs are removed, it may be difficult for motorists to discern a significant improvement because many signs will remain due to exemptions granted under the law.

The Congress should reassess the program.





COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

B-164497(3)

To the President of the Senate and the  
Speaker of the House of Representatives

This report identifies and describes factors limiting the success of the Department of Transportation's program to control outdoor advertising along Federal-aid Interstate and primary highways. The report discusses the results of the Department's efforts since 1965 to remove existing signs and prohibit the erection of additional signs.

In the light of the problems and limited progress to date, it appears that the objectives of the Highway Beautification Act will not be accomplished in the near future.

We made our review pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

We are sending copies of this report to the Acting Director, Office of Management and Budget, and to the Secretary of Transportation.

A handwritten signature in black ink, reading "James B. Stacks".

Comptroller General  
of the United States

D I G E S T

The Highway Beautification Act has served as a catalyst in efforts by the States to curb proliferation of new signs and to remove some existing signs along Interstate and primary highways. GAO evaluated the program at Federal Highway Administration headquarters and State offices in 10 States.

To understand this report, definitions are necessary. Signs which are located on-premise, or in zoned and unzoned industrial and commercial areas, and meet State permit requirements as to size, lighting, and spacing according to the State-Federal agreement are classified by the Highway Administration as legal and can be freely erected and maintained. As a result of these exemptions permitted under the act, many signs will remain after the program is completed. (See pp. 1, 3, 4, and 26.)

In 12 years since the act's passage, States have reported removing about 440,000 signs at a cost of about \$82 million to the Federal Government. Most had been erected illegally--erected in locations contrary to State laws--and were removed relatively easily. (See p. 8.)

However, the States have been less effective in removing about 298,000 nonconforming signs--these are signs that had been erected legally but do not comply with States laws passed after the Federal act.

As of March 31, 1977, only about 78,000 of these had been removed. It could take an additional 21 years to remove all the nonconforming signs and could cost over a billion dollars. (See pp. 8, 12, and 31.)

GAO believes that the program as it is now structured may not achieve the overall objective of preserving natural beauty along the highways. The general lack of support for the program, the legal complexities

that may result between States and sign owners, the numerous exemptions granted under the law, and the differences in State and local rules all appear to hamper achieving the aesthetic results of sign removal.

For example, in some States about 90 percent of the signs yet to be removed are on primary routes. Many are along the highways leading into small communities and commingled with numerous other legal signs. Many advertise local businesses--restaurants, insurance agencies, and car dealers--and churches. Undoubtedly these activities and the public benefit from sign messages, and their users will look for places to erect new signs. (See p. 21.)

This situation comes about because of the exceptions to the sign removal law. Perhaps the most significant is signs that are on premises and are exempt from removal. Another major factor--zoning--also affects the number of signs on highways.

In some cases, signs in commercial- or industrial-zoned areas are in environments where there are no commercial or industrial businesses--the rural land is merely zoned for such business. A more appropriate criterion for allowing such signs would be the actual use to which the land was put rather than how it was zoned. This would restrict such signs to areas that have already suffered visual blight from industrialization.

Strong economical and political considerations have brought about the exceptions currently granted in the law. It may not be practicable to require the removal of all signs in commercial- and industrial-zoned areas. To the extent that these areas are industrialized, highway signs may not create the visual blight they do in rural areas. However, areas zoned commercial and industrial, but lacking development, should not be allowed to retain their signs. (See pp. 26 and 27.)

## RECOMMENDATIONS TO THE CONGRESS

In the light of the problems and limited progress by most States in removing non-conforming signs, it appears that the objectives of the Highway Beautification Act will not be accomplished in the near future. GAO therefore recommends that the Congress reassess the program. If the Congress wants to strengthen the removal program, GAO recommends that it amend the act to encourage the States to

--remove all signs except those on-premise and landmark signs or

--remove all signs, except on-premise signs, landmark signs, and signs in areas of actual commercial or industrial use.

The Department of Transportation believes that prohibiting signs in commercial and industrial areas may not accomplish a great deal aesthetically and that the Congress would probably not accept the imposition of further controls in those areas. It agrees, however, that actual land use would be a more appropriate criterion than zoning.

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## CHAPTER 1

### INTRODUCTION

In 1958, about 2 years after the States began building the Interstate highways, the Congress declared it in the public interest to control outdoor advertising near new highways. As an inducement, the Federal-Aid Highway Act of 1958 offered bonuses to States that agreed to voluntarily control proliferation of signs within 660 feet of new Interstate highways. Only half the States were persuaded to participate in the bonus program, and they were successful in limiting new signs within 660 feet of the highways. The objective of limiting signs along Interstate highways was often thwarted in bonus States by advertisers that erected jumbo-sized billboards outside the 660-foot controlled area that were still visible from the highway (See photograph on the following page.)

To better accomplish the purpose intended in the 1958 bonus law, the President proposed greater controls over outdoor advertising, and the Congress passed the Highway Beautification Act of 1965 (Public Law 89-285). 1/ The law established an outdoor advertising control program which encouraged States to (1) provide for the effective control of advertising according to the national standards or forfeit 10 percent of their Federal highway funds and (2) expand control to primary highways. 2/ In the Federal-Aid Highway Amendments of 1975, the Congress expanded the control area from 660 feet to all signs in rural areas visible from the highways if the intent of the messages was to reach motorists on the Interstate or primary highways.

The Highway Beautification Act (23 U.S.C. 131) seeks to control outdoor advertising in areas near Interstate and primary systems to protect the public investment in such highways, to promote the safety and recreational value of public travel, and to preserve natural beauty. Although the Department of Transportation, through the Federal Highway Administration, provides program guidance and standards at the Federal level, the States are tasked with the actual control and removal of signs.

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1/ In addition, the act controlled junkyards and provided for landscaping and scenic enhancement along Interstate and primary roads

2/ Systems of connected main roads important to interstate, statewide, and regional travel. Primary highways are designated by each State according to a planned national highway system.



The act does not require States to remove all signs or to prohibit constructing new signs. Some of the signs that are allowed include

- signs on the property on which the advertised activity is conducted (on-premise);
- directional and other official signs and notices required or authorized by law;
- signs in zoned and unzoned industrial and commercial areas where they meet State permit requirements as to size, lighting, and spacing; and
- signs classified as landmarks.

Signs which are located on-premise, or in zoned and unzoned industrial and commercial areas and meet State permit requirements as to size, lighting, and spacing according to the State-Federal agreement are classified by the Highway Administration as legal and can be freely erected and maintained. Signs that were lawfully erected but do not comply with State laws passed after the act are classified as nonconforming. They are to be removed, and the sign owners and site owners are to receive just compensation. Any sign erected contrary to State law is illegal and must be removed without compensation.

Since the 1965 act, the Congress has authorized a total of \$239.5 million for controlling outdoor advertising, including the last authorization for \$25 million in each of fiscal years 1977 and 1978. (See app. II.) Under the program, the Federal Government finances 75 percent of the costs to acquire and remove signs and the States finance the remaining 25 percent.

As of March 31, 1977, the Federal Highway Administration estimated that 440,205 signs had been removed at a cost of \$82 million to the Federal Government and that 288,930 signs still needed to be removed at an additional cost of \$405 million to the Federal Government. (See apps. I and III.) According to the Highway Administration, this is a conservative estimate.

## SCOPE OF REVIEW

This report assesses the effectiveness of the Highway Beautification Act of 1955 in controlling outdoor advertising. We focused on the following issues:

- What progress has been made?
- When will the signs be removed?
- What are the obstacles?
- What can be done to improve the program's effectiveness?

We reviewed the Department of Transportation's policies, regulations, and procedures for administering the outdoor advertising control program. Our work was done at the Highway Administration headquarters; at selected regional and divisional offices; and at State department of transportation offices in Arizona, Georgia, Kentucky, Louisiana, North Carolina, Ohio, Oregon, Tennessee, Vermont, and Virginia. We made field reviews to verify inventories and to observe the character and location of signs remaining along roadways. With the help of State officials, we examined the legal status of selected signs still standing.

We also had discussions with members of the National Council of State Garden Clubs, Inc., and with Washington, D.C., representatives of the Outdoor Advertising Association of America and the Roadside Business Association to get their opinions on the program.

## CHAPTER 2

### PROGRESS IN CONTROLLING AND REMOVING SIGNS

The outdoor advertising control program required by the 1965 Highway Beautification Act has been controversial and has faced many obstacles. The program has been effective in curbing the number of new signs erected and in removing illegal signs along the Nation's Interstate and primary highway systems. It has not been as effective, however, in removing nonconforming signs along these highways. At the rate of past removals, it will take another 21 years to remove nonconforming signs.

#### SIGN CONTROL

Each of the 10 States we visited attributed the effectiveness in curbing sign proliferation in rural areas to statewide permit systems which require advertisers to purchase permits before they can erect new signs along the highways. The permit systems are effective, according to State officials, because most advertisers will not risk investing in an expensive sign which will be taken down later. However, State officials said permit systems have not been effective in controlling the smaller illegal signs, often of the home-made variety, put up in controlled areas. (See photographs on the next two pages.) They believe illegal signs can only be controlled by constantly patrolling the highways and removing signs.

#### SIGN REMOVAL

After passage of the Highway Beautification Act in October 1965, a nationwide inventory of outdoor advertising signs along Interstate and Federal-aid primary highways was made. The inventory completed in 1965 showed a total of 1,227,643 signs standing at that time that were near highways subject to the provisions of the Federal law. Of this total, 260,659 signs were reported to be in zoned commercial or industrial areas where general outdoor advertising was permitted, 127,623 signs on toll roads and highway rights-of-way were not subject to control under the proposed standards, and the remaining 839,361 signs were subject to removal as nonconforming signs. Federal officials estimated that the cost of removing the nonconforming signs would be \$403,162,503.





The inventory provided a general indication of the magnitude of the program necessary to achieve the objective of the outdoor advertising control provisions of the Federal law. At the time, however, it could not be regarded as a definitive estimate since data had been obtained before the execution of any Federal or State agreements on definitions of unzoned commercial and industrial areas or other aspects of permissible exceptions in State compliance legislation. Also, there were many errors in the inventory counts because of certain factors, including unqualified persons being hired by the States to count the number of eligible signs. The inventory was, therefore, subject to subsequent modification due to provisions of State law, enactment of State standards that were stricter than the Federal standards, effects of local rezoning of land, changes in highway route systems, and inventory corrections.

Subsequent inventory revision showed that there were 729,135 signs eligible for removal--430,731 illegal and 248,404 nonconforming. As of March 31, 1977, the States had removed 440,205 of the signs and the Federal share of the cost was about \$82 million. Eighty-two percent or 362,543 of the signs removed were illegal. (See app. I.) Although the number removed was large, State and Highway Administration officials told us that illegal signs were easily removed at little cost. Many of the illegal signs were hand bill-type posters tacked to posts and other small signs that were removed by highway maintenance crews without notifying the owners. (See the photograph on the next page.)

Progress in removing signs erected legally but later classified as nonconforming has been slow. As of March 31, 1977, only about 77,662 (see app. I), or 26 percent, of the 298,404 nonconforming signs identified had been removed. The table on page 10 shows the status of nonconforming signs in the 10 States we reviewed. The States were selected with the assistance of Highway Administration officials. They are geographically dispersed, located in the northeast, northwest, middle, southeast, and southwest parts of the country. We selected more States from the South than from other parts of the country due to legal impediments that adversely affected the programs of two States in that area. This situation necessitated our selecting additional States in that area so as to have a more representative sample. We believe that the States we have reviewed provide a reasonable cross section of progress made in removing nonconforming signs. Three of the States reported having removed over 80 percent of their nonconforming signs. Four States had removed from 6 to 14 percent of their signs. And, three States reported that less than 3 percent of their signs had been removed. The combined total nonconforming signs removed



for the 10 States is about 17 percent of the total number of nonconforming signs identified for those States. This compares to 26 percent nationwide.

Status of Nonconforming Signs

<u>State</u>	<u>Identified</u>	<u>Removed</u>		<u>Remaining (note a)</u>	
		<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Ariz.	6,510	932	14	5,578	86
Ga.	20,423	436	2	19,987	98
Ky.	2,963	2,803	95	160	5
La. (note b)	2,300	0	0	2,300	100
N.C.	4,898	406	8	4,492	92
Ohio	6,217	740	12	5,477	88
Ore.	2,132	1,732	81	400	19
Tenn. (note b)	8,498	98	1	8,400	99
Vt.	2,834	2,796	99	38	1
Va.	2,859	174	6	2,685	94
Total	<u>59,634</u>	<u>10,117</u>	17	<u>49,517</u>	83
All other States	<u>238,770</u>	<u>67,545</u>		<u>171,225</u>	
Total	<u>298,404</u>	<u>77,662</u>	26	<u>220,742</u>	74

a/The Highway Administration said these numbers are low because State records are incomplete.

b/Substantial and unique legal impediments have adversely affected program performance.

Highway Administration and State officials believe a large number of the nonconforming signs that have been removed were of little economic value and were voluntarily sold to the States for removal. In Ohio, for example, all nonconforming signs purchased and removed by the State had been volunteered for sale by sign owners. According to State officials, many of these signs had limited economic value because of changes in advertising trends, economic conditions, or traffic patterns. The Office of Audits, Department of Transportation, observed similar conditions in California's program. In a report issued in 1976, its auditors said that about 140 blank signs were being purchased at a cost of \$210,000. The report said that the signs had been blank for some time.

Signs that remain blank for a designated period of time (normally over 12 months) are considered abandoned and can be removed without compensating the owner. The Highway Administration believes, however, that sign owners usually will take action to avoid having their signs condemned. Therefore, States are allowed to purchase blank signs before the designated waiting period ends. The Highway Administration also believes that deliberate administrative delay by the States would be challenged in the courts by the outdoor advertising industry and declared to be a circumvention of the law. The Administration believes that its practice of acquiring blank signs on a voluntary basis is achieving the program's objectives while cooperating with the industry.

Signs that are hidden from view due to foliage growth between the sign and the roadway are not eligible for removal or compensation under the program, because they are not visible to the passing motorist. Indications are that, in at least 12 States, foliage may have been deliberately removed by the sign owners to make the signs visible from the roadway so that they could be offered for sale to the State highway departments and thereby increasing the costs of the program. As of December 1977, the Highway Administration had not decided how to handle this situation.

Neither the Highway Beautification Act of 1965 nor the Highway Administration had established goals for completing the program until recently. In July 1977 the Administration established a goal of 10 years in which to complete the program. Department of Transportation officials told us that attaining this goal is contingent upon:

- "1. Congressional guarantees that adequate funds will be authorized and appropriated.
2. Congressional support for the program and a commitment to stop changing the law as a result of industry lobbying efforts.
3. Equal consideration to the environmentalists' point of view.
4. Continued support for the program by the Department of Transportation and judicious enforcement of the law.
5. The effective utilization of alternate motorist information systems."

We believe, however, that the past record of achievement in removing signs and the lack of strong support for the program by many States suggest that the Highway Administration's 10-year completion goal is too optimistic. Since 1970 the States have removed an average of 10,712 signs a year. We estimate that, at that rate, it would take about 21 years to remove the remaining 220,742 nonconforming signs. Also, as of March 31, 1977, 23 States and the District of Columbia had removed no more than 20 percent of their reported inventory of nonconforming signs. Their combined total of nonconforming signs still to be removed amounted to 155,723 signs, or 71 percent of all nonconforming signs remaining. (See app. I.) Further details on these matters follow.

### OBSTACLES TO SIGN REMOVAL

The main obstacles the Highway Administration faced in implementing the sign removal program were getting each State to pass laws regulating outdoor advertising near highways, and to negotiate agreements for administering the program. By 1974 the last State had passed laws, and all States now have the basic legal framework for carrying out the program. Some have not passed legislation to comply with the 1975 amendment expanding control beyond 660 feet of the highways. In July 1977 the Administration started penalty actions against Alabama, New York, Oklahoma, and South Dakota for not having taken actions necessary to comply with the 1975 law. As of December 2, 1977, final action was still pending on these States. Some States have had limited progress in removing signs because of the program's lack of popularity, legal entanglements, and uncertainty in the program's direction.

### Removal program generally lacks popular support

Success in removing signs is related directly to the emphasis and priority State administrators give the program. Virginia, North Carolina, Georgia, Kentucky, and Tennessee officials said that tourism was vital to their economy and that continuation of many roadside businesses depended on advertising along the highways. Some of these States did not aggressively remove nonconforming signs because legislators and State officials felt that they were needed to draw the public to local businesses. Some State officials felt their limited funds could be more effectively spent on highway maintenance and construction. A few States, however, such as Maine, Vermont, and Hawaii, that rely heavily on tourism have totally banned off-premise outdoor advertising.

As for public support, surveys done at the direction of the Highway Beautification Commission showed that 67 percent of persons polled felt that commercial billboards along the highways provided a service to motorists. An even higher percentage did not object to signs providing directions such as "Exxon Gasoline Next Exit, Two Miles." State officials, aware of this attitude, said this was why they had not aggressively pursued the sign removal program. Letters from the general public in Highway Administration files reflect both the pro and con points of view.

A December 1977 study prepared for, and funded by, the Highway Administration evaluated directional signing activities under the program. The study report pointed out that in some cases directional sign permits were granted to sign companies which apparently gave them exclusive control over directional signing between interchanges. The report also noted that natural wonders and scenic areas were being subdivided into two or more sections, so that each section could qualify for three directional signs. Some activities that were advertised on older signs as amusement parks are now advertised as historical or scenic activities.

### Legal entanglements

The Highway Beautification Act of 1965 did not authorize funds for purchasing and removing signs unlawfully erected after January 1, 1968, when the States were to have provided for "effective control." In some States, laws controlling outdoor advertising were not passed quickly and signs continued to be erected. By the time the States passed their laws about 127,000 signs had been built. These signs were legal under State laws but were illegal under the act. Since the act did not permit Federal cost sharing for signs built during the interim period, States would have been forced to absorb all costs for their removal. But some of these States had passed laws which barred removing signs unless the Federal Government shared in the cost of their removal. This conflict between Federal and State laws was not resolved until the 1975 Federal-Aid Highway amendment allowed Federal participation in the cost of removing these signs.

In Louisiana sign owners are still contesting in court the removal of some signs. Even though Louisiana had passed sign control laws in 1966, sign owners contended the State did not provide for control until an agreement was signed with the Secretary of Transportation in 1972. During that period, no signs were removed. Other entanglements stemming from laws providing procedural due process for sign owners

prevented swift action in removing signs. In Georgia and Vermont, sign owners are entitled to hearings before the States can remove their signs.

Another impediment, occurred in Kentucky where illegal signs are removed by State highway personnel. In some cases, when sign owners have objected, the State Police have been summoned to accompany State highway personnel while they remove signs.

#### Uncertainty in program direction

Department of Transportation officials told us that program progress had also suffered because of changes in Federal enabling legislation. The Federal-Aid Highway Act of 1976, which amended the Highway Beautification Act, encouraged States to retain nonconforming directional signs until other nonconforming signs were removed. The amendment further allowed States to leave nonconforming signs standing if the State determined that removing the signs would cause a substantial economic hardship to an area. The Highway Beautification Commission estimated that about 80 percent of all nonconforming signs had directional information on them. Department of Transportation officials said that as of December 2, 1977, only nine States had expressed an interest in the hardship provision.

The act also requires the Secretary to restudy and revise standards for authorized directional signs. A task force has been assigned these duties, and their work is underway. The task force is also considering the subject of alternate types of motorist information systems, such as the use of radio to relay directional information to the motorist. Officials in some States viewed the amendment as a weakening of the Congress position on removing signs. For example, North Carolina and Virginia officials said that their programs to acquire signs were being suspended until the Federal Government established a firm national policy.

In other States, such as Ohio and Kentucky, nonconforming directional signs are still being removed because it is an administrative burden to determine which signs are to be deferred. But Highway Administration officials believe the sign removal program will undoubtedly be slowed down by the congressional position on directional signs.

The Department further said that some States had either stopped or slowed down their acquisition program as a result of pressures brought on by the outdoor advertising industry that claims that certain rights and guarantees were granted to them in the 1976 amendments to the law.

## AGENCY COMMENTS

In commenting on this report, the Department of Transportation said that it believed Federal program funding was erratic, and this resulted in administrative problems. It cited the \$18 million appropriation for fiscal year 1978 for both the sign acquisition and the junkyard programs. The Department anticipates that \$25 million will actually be spent in fiscal year 1977 for sign acquisitions alone. The Department believes that many State acquisition programs are hindered by the uncertainty of Federal funding. Department officials said that this had caused a lack of priority or interest within the States, and an emphasis on acquiring less expensive signs. Also, State administrators cannot plan and carry out a reasonably effective program or develop an adequately trained staff. The Highway Administration and the States give construction and maintenance projects which add safety and mobility benefits higher priority for their scarce financial resources. Officials said that amendments to the Federal law and unstable funding forced State legislatures to consider highway beautification every few years. They believe that this has resulted in resentment and frustration by some of the States and a consequent weakening of the program and that some State officials would like nothing more than to see the law repealed.

## CHAPTER 3

### MANY SIGNS WILL REMAIN DUE TO EXEMPTIONS GRANTED

We estimate that the total cost to complete the outdoor advertising removal program will be over \$1 billion. (See app. III.) Motorists, however, may not see a tangible difference in many States because hundreds of thousands of signs located on-premise and in industrial and commercial areas will remain. Because there will be so many legal signs remaining, it will not be apparent to motorists when the program is completed.

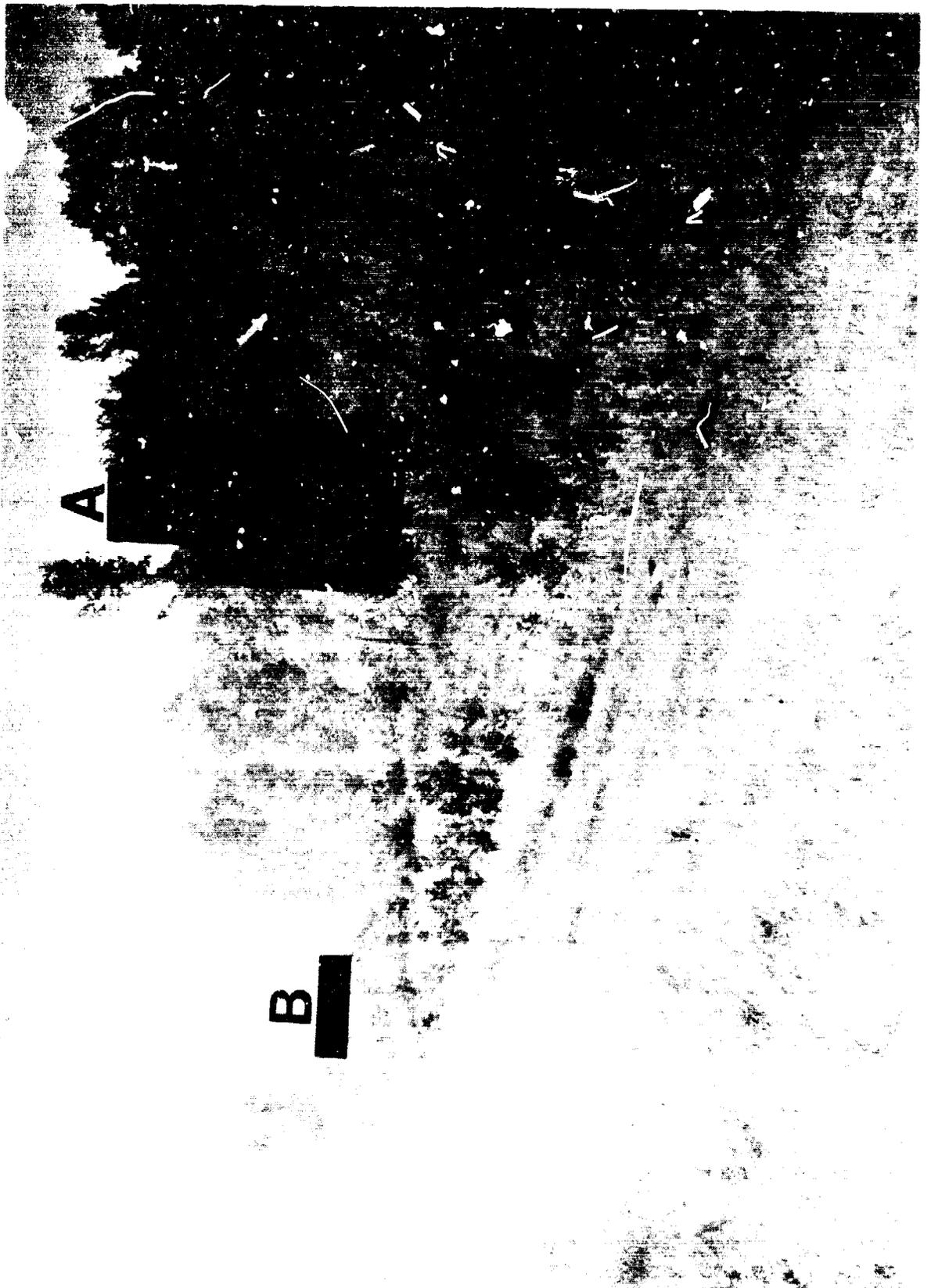
### VARIANCES IN STATE AND LOCAL ZONING PREVENT UNIFORM SIGN REMOVAL

The Highway Beautification Act provides that:

"States shall have full authority under their own zoning laws to zone areas for commercial or industrial purposes, and the actions of the States in this regard will be accepted for the purposes of this Act."

Zoning often leads to a situation where signs separated by short distances are classified differently. In the photograph on the following page, sign A--a motel advertisement--is nonconforming because it is in an unzoned area. Sign B--an advertisement for a gas station--is legal because it is in an area zoned commercial. Sign A could be legally relocated in the nearby commercial zoned area.

Department of Transportation officials told us that they believed the rate of relocation was minimal; however, they were unable to provide us with any data to support this belief. Also, their position is that, when relocations do occur, there is a benefit in the sense that the signs are being grouped in commercial or industrial areas and the aesthetics of other, much larger sections of highways are enhanced as a result. We estimate that, in Oregon, where most nonconforming signs have been removed, 40 percent of the off-premise signs will remain standing because they are in zoned industrial and commercial areas. Some of these areas, however, have rural characteristics.



Unzoned commercial and industrial areas are defined as those not zoned by State or local law on which there is a commercial or industrial activity. In Louisiana, up to four signs can be legally erected near such activities, but Vermont does not recognize unzoned commercial and industrial areas for sign control purposes. So signs that might be legal in one State are illegal in another.

### ON-PREMISE SIGNS

The Highway Beautification Act exempts:

"\* \* \* signs, displays, and devices advertising activities conducted on the property on which they are located \* \* \*"

The Federal Highway Administration defines on-premise signs as those which identify a business or advertise products or services sold on the property. Regulations controlling the location of on-premise signs vary from State to State. For example, Vermont allows a sign to be located within 1,500 feet of the business and North Dakota requires the sign be within 50 feet of the business.

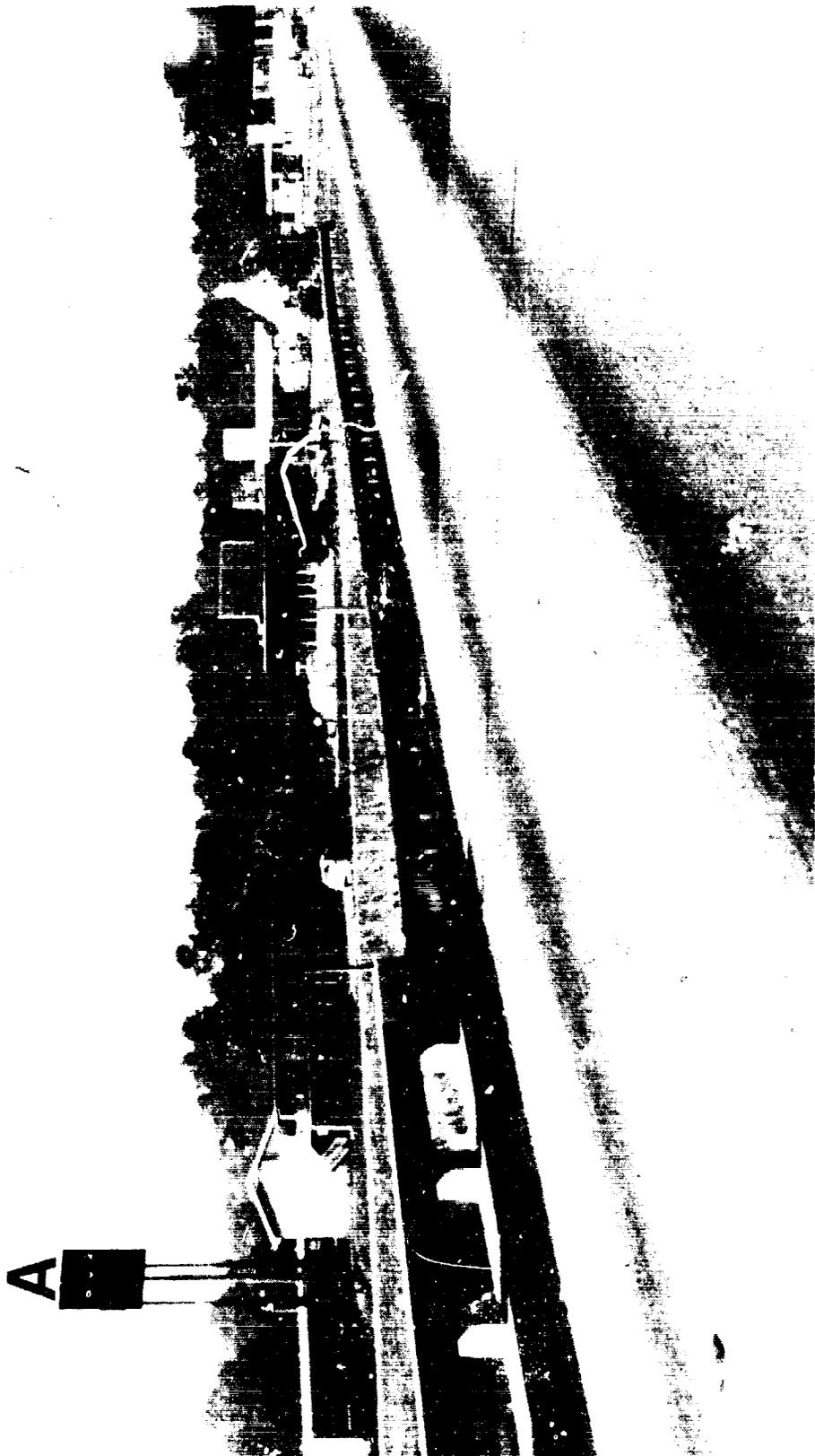
Often businesses are not visible from the highways, but their on-premise signs are. So the motorist may see a sign which does not appear to be on-premise and conclude that it should be torn down when it is, in fact, legal. (See photograph on the following page.)

### High-rise signs

It appears that one result of the act has been to stimulate the increase of large high-rise displays seen along Interstate highways advertising gasoline. Businesses located these signs on their property to insure that directional information will continue to be available to motorists. Sometimes businesses erected these signs on narrow strips of land attached to the land on which businesses are located but near the highway for good visibility. At the time these signs were erected, there was no Federal definition of an on-premise sign.

In 1973 the Federal Highway Administration established criteria for on-premise signs making many of the high-rise signs nonconforming. As such they must be removed. In many cases the signs can be moved to a legal on-premise location and still be visible from the highway as the photograph on page 20 illustrates. The gasoline sign "A" has been classified by Georgia officials as nonconforming, and they estimate it will cost \$15,000 to purchase and remove it.





According to Highway Administration officials, the sign can be legally reerected about 250 feet from where it now stands, and it would still be visible from the highway. Should that happen, motorists will still see a sign, but it will be in a technically acceptable location.

In Ohio about 300 high-rise signs may be acquired at a total cost of about \$450,000. Many of those signs can go back up in legal on-premise locations and remain visible from the highways. In other States we visited, data was not available on the number of high-rise signs that should be removed.

### SIGNS ON PRIMARY HIGHWAYS PRESENT UNIQUE PROBLEMS

Federal-aid primary highways are not conspicuously marked as such, and a motorist would need a special map to identify these highways. So the motorist on a non-Interstate highway has no way of knowing if the signs he sees are legal, nonconforming, or illegal even if he knows the zoning and can identify on-premise sites. Some State officials questioned the need to control primary highways and believed that many signs would be torn down by the owners because they no longer have an economic value.

States with a large number of nonconforming signs yet to be removed estimate that 90 percent or more are located next to primary highways. These highways have less restrictions on access than the Interstate highways (only about 16 percent of the rural primary system has limited access), and businesses located along these routes provide many locations for legal on-premise signs. The Department of Transportation estimates that 239,000 miles, or about 90 percent of the primary system transverses rural countryside. The Highway Administration estimates that about 15 percent of the system is classified as commercial or industrial. Signs that will be purchased and removed can be legally reerected in commercial and industrial zoned areas. If that happens, the motorist will see legal instead of nonconforming or illegal signs--a technical improvement.

Primary highway designations also are periodically changed as new highways open or as traffic flows change. In 1976 a net 41,000 miles of highway was added to the primary system as a result of a major realignment. When a highway is taken off the system, signs removed from it

can be legally put up again because the act does not control signs other than those along Interstate and primary highways.

Some signs along highways added to the primary system are nonconforming or illegal and must be removed. In Kentucky, for example, a major realignment in 1976 added about 1,000 miles of highway to the primary routes and an estimated 7,000 additional signs to its inventory of signs to be removed. About 1,000 miles were deleted from the primary routes, but we could not determine how many nonconforming signs this change in status eliminated from the inventory nor how many had been removed at Federal and State expense.

A review of one 40-mile stretch of U.S. 60, which was changed from a primary to a secondary road, showed that about \$14,000 had been spent to remove signs. Since the highway has been taken off the primary system, the signs removed are no longer subject to the Highway Beautification Act and can be legally re-erected.

Highway Administration officials told us that 17 States and the District of Columbia and Puerto Rico control outdoor advertising signs on other highway systems in addition to the Interstate and primary systems. They believe that where this condition exists, a State's realignment of highway systems would have little effect, since sections removed from either the primary or Interstate highway would continue to be controlled.

In developing the Interstate System, many stretches of highways parallel established primary routes. Officials in 5 of the 10 States we visited told us that tourism is vital to their economy and that many roadside businesses depend on highway advertising. Georgia State officials working in the sign removal program told us that many businesses along primary routes, particularly those that are tourist oriented, had been forced to close or relocate. Signs advertising these businesses remain standing but no longer serve a useful economical purpose. (See photograph on the next page.) Many are classified as nonconforming and can be sold to the States and removed. State officials believed many of these signs would eventually deteriorate and could be removed at little cost.



Georgia and Louisiana officials were in favor of clearing Interstate highways of nonconforming signs but questioned spending money to clear the primary routes. Georgia officials estimated that half of their 21,000 nonconforming signs on primary routes would be abandoned in the next few years and removed even if the State did not acquire them. Since permits are required to erect new signs on primary highways, the officials believed others would not be erected.

Department of Transportation officials told us that they believed delaying the acquisition of the signs would be contrary to State and Federal laws under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601, et seq. (1970), as ammended) that prohibits coercive action whereby acquisition is either advanced or deferred to compel an agreement. They also said that the enforcement of existing State rules on abandonment could effectively remove a large number of the signs.

POTENTIAL IMPACT OF SIGN REMOVAL  
ON SELECTED HIGHWAYS

We studied two stretches of highways to assess the potential benefit from clearing signs along these highways under the Highway Beautification Act. Our evaluation was made with the assistance of Highway Administration and State highway department officials. Although they are not necessarily representative of the total system, they do illustrate that many signs will remain after the program has been completed.

Locations

	I-75, Henry County, Georgia (23-mile stretch northbound and <u>southbound</u> )	U.S. 25-E, Bell County, Kentucky (13-mile stretch <u>northbound</u> )
Total signs visible from highway	300 (100%)	182 (100%)
Total illegal and nonconforming signs	111 (37%)	79 (43%)
Legal signs which would remain if all illegal and nonconforming signs were removed	189 (63%)	103 (57%)

A mile-by-mile analysis of the 13-mile stretch in Kentucky further illustrates the potential impact of sign removals.

<u>Miles</u>	<u>Number of signs to be removed</u>	<u>Number of signs to remain</u>
1st	0	0
2nd	0	0
3rd	29	46
4th	9	8
5th	20	25
6th	6	0
7th	3	2
8th	2	0
9th	1	0
10th	0	1
11th	0	1
12th	5	18
13th	<u>4</u>	<u>2</u>
Total	<u>79</u>	<u>103</u>

In another case we counted 27 signs at the intersection of I-75 and State Route 63 in Ohio. Six of those signs would have to be removed to comply with the Federal standards, but the remaining 21 are legal.

#### AGENCY COMMENTS AND OUR EVALUATION

Department officials commented that other highway sections could be selected and analyzed, which would indicate results the opposite of what we found in our analysis of highways in Georgia, Kentucky, and Ohio. They cited a 28-mile stretch of Interstate 25 in Colorado between Denver and Colorado Springs. Of the 156 signs that existed, 153 were acquired and removed. Two signs remain in commercial areas, and one sign remains on-premise. Since the removal project in 1972, no new signs have been erected. The officials named Oregon, Maine, Illinois, Utah, and Vermont as statewide illustrations of the positive results of the program.

We agree that there have been noticeable benefits under the program, particularly on the Interstate System. We believe that our evaluation of selected highway sections, however, shows that there are situations where many legal signs will remain after the program is completed.

## CHAPTER 4

### C. CONCLUSIONS AND RECOMMENDATIONS

Will highways be perceived as more scenic when all non-conforming and illegal signs are eventually removed? While the question is value laden, our observations in the 10 States visited lead us to the conclusion that motorists may not see a discernible difference in many States. We believe that the present law as it is now structured may not achieve the overall objective of preserving natural beauty along the highways. The general lack of support for the program, the legal complexities that may result between States and sign owners, the numerous exemptions granted under the law, and the differences in State and local rules all appear to hamper achieving the aesthetic results of sign removal.

The Highway Beautification Act of 1965, as amended, has served as a catalyst in State efforts to curb the proliferation of new signs along Interstate and primary highways. In the 12 years since the act's passage, the States have reported removing 440,205 signs. Most of those signs had been erected illegally and were removed relatively easily. The States have been less effective in removing the 298,404 nonconforming signs. So far, only 77,662 have been removed. We estimate that it could take an additional 21 years to remove all nonconforming signs and cost over a billion dollars. (See app. III.)

While noticeable benefits have occurred under the program, particularly on the Interstate System, many of the signs along Interstate and primary highways are legal and will remain. Further, signs that are to be removed could be replaced with legal signs in nearby exempted areas.

In some States about 90 percent of the signs yet to be removed are on primary routes. Many are along the highways leading into small communities and commingled with numerous other legal signs. Many signs advertise local businesses--such as restaurants, insurance agencies, and car dealers--and churches. Undoubtedly these activities and the public benefit from sign messages and their users will look for places to erect new signs.

We believe that the nature of primary highways is such that preserving the natural beauty will be difficult to accomplish. The on-premise signs that accompany the many clusters of businesses strung out along these routes, because of their virtually unlimited access, may negate any benefit that might otherwise result from removing nonconforming signs that are now posted.

These situations come about because of the exceptions provided in the act. Perhaps the most significant is on-premise signs which were excluded from the removal program. Zoning, another major factor affecting the number of signs on highways, however, can be controlled. In some cases, signs in commercial or industrial zoned areas are in rural environments where there are no commercial or industrial businesses--the land is merely zoned for such business. We believe that a more appropriate criterion for allowing such signs--and one in which the Department of Transportation concurs--would be the actual use to which the land was put rather than how it was zoned. This would restrict such signs to areas which have already suffered the visual blight of industrialization. We believe that, as an alternative, if all signs--except those on the premises of the business being advertised and landmark signs--were removed from the Interstate and primary highways, additional thousands of miles of highways would be relatively uncluttered by signs.

We recognize that strong economical and political considerations have brought about the exceptions currently provided in the law, and, as such, it may not be practicable to require the removal of all signs in commercial- and industrial-zoned areas. To the extent that these areas are industrialized, highway signs may not represent the visual blight they do in rural areas. However, we do not believe areas zoned commercial and industrial, but lacking development, should be allowed to retain their signs.

#### RECOMMENDATIONS TO THE CONGRESS

In the light of the problems and limited progress by most States in removing nonconforming signs, it appears that the objectives of the Highway Beautification Act will not be accomplished in the near future. We therefore recommend that the Congress reassess the program. If the Congress wants to strengthen the removal program, we recommend that it amend the act to encourage the States to

- remove all signs except those on-premise and landmark signs or
- remove all signs, except on-premise signs, landmark signs, and signs in areas of actual commercial or industrial use.

#### AGENCY COMMENTS

During our review we obtained oral and written comments from Department of Transportation officials on matters discussed in this report and made changes as appropriate.

The Department believes that prohibiting signs in commercial and industrial areas may not accomplish a great deal aesthetically and that the Congress would probably not accept the imposition of further controls in those areas. It agrees, however, that actual land use would be a more appropriate criterion than zoning.

INVENTORY OF ILLEGAL AND NONCONFORMING SIGNS  
ON INTERSTATE AND FEDERAL-AID PRIMARY HIGHWAYS

BY STATE

State	Signs removed as of March 31, 1977			Signs remaining as of March 31, 1977			
	Illegal	Non- conforming	Percent of total noncon- forming for State	Total	Illegal	Noncon- forming	Total
Ala.	3,821	1,773	45	5,594	(a)	2,197	2,197
Alaska	4,672	0	0	4,672	131	39	170
Ariz.	5,578	92	14	6,510	(a)	5,578	5,578
Ark.	2,166	125	3	2,291	500	3,712	4,212
Calif.	494	1,451	38	1,945	50	2,364	2,414
Colo.	13,081	1,452	36	14,533	52	2,631	2,683
Conn.	7,600	80	28	7,680	1,000	207	1,207
D.C.	0	0	0	0	0	5	5
Del.	133	108	18	241	(a)	477	477
Fla.	1,920	1,349	12	3,269	(a)	9,742	9,742
Ga.	7,156	436	2	7,592	(a)	19,987	19,987
Hawaii	0	0	-	0	0	0	0
Idaho	4,896	747	46	5,643	204	863	1,067
Ill.	21,828	7,872	65	29,700	491	4,170	4,661
Ind.	1,207	757	6	1,964	(a)	11,797	11,797
Iowa	18,093	2,441	29	20,534	(a)	5,900	5,900
Kans.	1,487	5,079	16	6,566	(a)	25,864	25,864
Ky.	21,589	2,803	95	24,392	14,953	160	15,113
La.	62	(	0	62	5,587	2,300	7,887
Maine	233	957	98	1,190	0	18	18
Mass.	9,732	(	-	9,732	(a)	(a)	(a)
Md.	5,980	292	15	6,272	(a)	1,615	1,615
Mich.	20,087	4,006	43	24,093	(a)	5,275	5,275
Minn.	5,775	3,363	53	9,138	(a)	3,000	3,000
Miss.	5,834	226	10	6,060	3,188	2,094	5,282
Mo.	21,793	466	7	22,259	14,799	6,043	20,847
Mont.	3,910	7,310	71	11,220	66	3,028	3,094
N.C.	4,405	406	8	4,811	(a)	4,492	4,492
N. Dak.	1,595	1,381	47	2,976	399	1,538	1,937
Nebr.	18,545	4,912	35	23,457	4,613	9,088	13,701
Nev.	198	308	40	506	191	466	657
N.H.	1,385	441	31	1,826	(a)	994	994
N.J.	19,131	0	-	19,131	(a)	(a)	(a)
N. Mex.	5,155	201	10	5,356	807	1,753	2,560
N.Y.	7,822	250	7	8,072	4,496	3,546	8,042
Ohio	4,685	740	12	5,425	5	5,477	5,482
Okla.	4,423	1,532	29	5,955	6,039	3,722	9,761
Ore.	3,548	1,732	81	5,280	(a)	400	400
Pa.	15,649	5,441	31	21,090	4,826	12,328	17,154
P.R.	1,787	0	-	1,787	1,546	0	1,546
R.I.	607	5	8	612	220	60	280
S.C.	3,380	1,258	20	4,638	822	5,049	5,871
S. Dak.	20,644	1,545	26	22,189	571	4,505	5,076
Tenn.	1,443	98	1	1,541	(a)	8,400	8,400
Tex.	24,947	4,599	20	29,546	2,126	18,509	20,635
Utah	7,481	1,446	84	8,927	(a)	274	274
Vt.	1,782	2,796	99	4,578	482	38	120
Va.	1,074	174	6	1,248	0	2,685	2,185
Wash.	6,719	1,787	57	8,506	(a)	1,373	1,373
Wis.	10,150	1,655	11	11,805	(a)	14,058	14,058
W. Va.	2,781	612	56	3,393	(a)	480	480
Wyo.	4,080	318	12	4,398	24	2,436	2,460
<b>Total</b>	<b>362,543</b>	<b>77,662</b>		<b>440,205</b>	<b>68,188</b>	<b>220,742</b>	<b>b/288,930</b>

a/Data not furnished by States.

b/Highway Administration officials estimate the cost to remove these signs at \$405 million but feel that the amount will increase because of:

--General inflationary trends which are not incorporated in this estimate.

--Average sign cost which will increase since more valuable signs remain to be acquired.

--State inventories of nonconforming signs which presently do not include signs added by the 1975 Federal-Aid Highway Act controlling signs beyond 660 feet and the 1976 primary route realignment.

STATUS OF FUNDING FOR  
OUTDOOR ADVERTISING PROGRAM  
AS OF JUNE 30, 1977 (note a)

<u>FY</u>	<u>Authorized</u> (000 omitted)	<u>Time lapse between obligations and expenditures</u>			
		<u>FY</u>	<u>Obligations</u> (000 omitted)	<u>FY</u>	<u>Expenditures</u> (note b) (000 omitted)
1966	\$ 20,000	1970	\$ 62	1971	\$ 7
1967	20,000			1972	55
1970	2,000	1971	6,326	1972	495
1971	27,000			1973	4,637
1972	20,500			1974	1,194
1973	50,000	1972	16,344	1974	15,157
				1975	1,187
1975	50,000	1973	33,353	1975	19,656
				1976	13,697
1977	25,000	1974	33,079	1976	12,997
1978	25,000	1975	28,525	1977	17,246
		1976	18,496		
		1977	<u>11,683</u>		
<b>Total</b>	<b><u>\$239,500</u></b>		<b><u>\$147,868</u></b>		<b><u>\$86,328</u></b>

a/Amounts do not include \$16.8 million in bonus payments.

b/Fiscal year expenditures applied to oldest unpaid obligation balances.

ESTIMATE OF COSTS TO COMPLETE  
THE OUTDOOR ADVERTISING PROGRAM  
AS OF MARCH 31, 1977

	<u>Amount</u> (millions)
Federal expenditures to date	\$ 82
Federal Highway Administration estimate of remaining Federal costs (note a)	<u>405</u> \$ 487
Inflation, 6 percent per annum, over 10-year period (note b)	130
States' share of costs (25 percent State, 75 percent Federal)	206
Bonus payments (note c)	<u>210</u>
Total	<u><u>\$1,033</u></u>

a/Includes \$64 million of unexpended authorizations.

b/The Federal Highway Administration's goal is to complete the program 10 years. However, based on the average sign removal rate under the program, we estimate it could take at least 21 years to complete.

c/The Federal Highway Administration believes bonuses will have to be paid to the States even if the program is discontinued due to the guarantee provision of the enabling legislation. Agency officials believe that, even though past experience justifies only a \$50 million cost for bonuses, actual costs are expected to be about \$210 million.

PRINCIPAL OFFICIALS  
RESPONSIBLE FOR ADMINISTERING  
ACTIVITIES DISCUSSED IN THIS REPORT

Tenure of office  
From                      To

DEPARTMENT OF TRANSPORTATION

**SECRETARY OF TRANSPORTATION**

(note a):

Brock Adams	Jan. 1977	Present
William Coleman	Mar. 1975	Jan. 1977
John W. Barnum (acting)	Feb. 1975	Mar. 1975
Claude S. Brinegar	Feb. 1973	Feb. 1975
John A. Volpe	Jan. 1969	Feb. 1973
Alan S. Boyd	Jan. 1967	Jan. 1969

**SECRETARY OF COMMERCE (note b):**

Alexander B. Trowbridge (acting)	Jan. 1967	Mar. 1967
John T. Connor	Jan. 1965	Jan. 1967

**ADMINISTRATOR, FEDERAL HIGHWAY  
ADMINISTRATION:**

William M. Cox	Apr. 1977	Present
Lester P. Lamm (acting)	Jan. 1977	Apr. 1977
Norbert T. Tiemann	May 1973	Jan. 1977
Ralph R. Bartelsmeyer (acting)	July 1972	May 1973
Francis C. Turner	Feb. 1969	June 1972
Lowell K. Bridwell	Apr. 1967	Jan. 1969

a/Position created by the Department of Transportation Act  
(Public Law 89-670).

b/All functions, powers, and duties of the Secretary of Commerce under certain laws and provisions of law related generally to highways were transferred to and vested in the Secretary of Transportation by the Department of Transportation Act.

(34262)